

The Australian National University



Centre for
Aboriginal
Economic
Policy
Research

Discussion Paper



**Redfern works: the policy and
community challenges of an urban
CDEP scheme**

D.E. Smith

No. 99/1995

ISSN 1036-1774

ISBN 0 7315 1773 3

SERIES NOTE

The Centre for Aboriginal Economic Policy Research (CAEPR) was established in March 1990 under an agreement between the Australian National University (ANU) and the Aboriginal and Torres Strait Islander Commission (ATSIC). CAEPR operates as an independent research unit within the University's Faculty of Arts and is funded by ATSIC, the Commonwealth Department of Social Security and the ANU. CAEPR's principal objectives are to undertake research to:

- investigate the stimulation of Aboriginal and Torres Strait Islander economic development and issues relating to Aboriginal and Torres Strait Islander employment and unemployment;
- identify and analyse the factors affecting Aboriginal and Torres Strait Islander participation in the labour force; and
- assist in the development of government strategies aimed at raising the level of Aboriginal and Torres Strait Islander participation in the labour market.

The Director of the Centre is responsible to the Vice-Chancellor of the ANU and receives assistance in formulating the Centre's research agenda from an Advisory Committee consisting of five senior academics nominated by the Vice-Chancellor and four representatives nominated by ATSIC, the Department of Employment, Education and Training and the Department of Social Security.

CAEPR DISCUSSION PAPERS are intended as a forum for the dissemination of refereed papers on research that falls within the CAEPR ambit. These papers are produced for discussion and comment within the research community and Aboriginal affairs policy arena. Many are subsequently published in academic journals. Copies of discussion papers can be purchased from the Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 279 8211 Fax (06) 249 2789. Abstracts of all CAEPR Discussion Papers can be found at the following World Wide Web address:

<http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html>

**As with all CAEPR publications, the views expressed
in this DISCUSSION PAPER are those of the author(s)
and do not reflect an official CAEPR position.**

Professor Jon Altman
Director, CAEPR
Australian National University

ABSTRACT

This paper describes the organisation of work in the Redfern Community Development Employment Project (CDEP) scheme and considers the policy and community issues that are being raised. Two broad perspectives are posed of CDEP employment as 'welfare work' and as 'culture work'. This analytical device serves as the basis for examining the wider socioeconomic circumstances of such urban schemes. The paper uses 1991 Census data to analyse the key characteristics of the Redfern urban labour force. The Redfern population's location at the centre of a metropolitan labour market does not appear to be matched by greater participation; rather, it appears to be a disadvantaged enclave. The Redfern CDEP scheme operates within an influential Aboriginal domain where the Redfern Aboriginal Corporation (RAC) undertakes a major rehabilitative and case management role in respect to particular participants. The paper critically assesses the policy assumption that urban Aboriginal communities such as Redfern are more locationally advantaged, more attached to mainstream labour markets and resources, and hence more likely to develop economic self-sufficiency.

Acknowledgments

My research draws heavily upon discussions with RAC management, staff and participants. In particular, I thank Shane Phillips, Jim O'Sullivan, Debbie French and Bruce Loomes from the RAC and Kristine Garrett and Danny Packer from the RAC Board for their considerable assistance and advice during the different stages of this project. Peter McCullagh (South Sydney City Council) and Jim Dayle and Peter Armstrong (Aboriginal and Torres Strait Islander Commission (ATSIC), Sydney) provided helpful comments in interviews. Geoff Dane (ATSIC Statistical Services, Canberra) was of considerable assistance in providing the Redfern Community Profile and related maps from the 1991 Census. Versions of this paper were presented at a Centre for Aboriginal Economic Policy Research seminar in April 1995, at the National Social Policy Conference, Sydney, in August 1995, and to a workshop of CDEP organisations at Picton, NSW in August 1995. Useful editorial comments have been made by Jon Altman, Will Sanders and Hilary Bek. Gillian Cosgrove, Hilary Bek and Belinda Lim assisted with final layout and editing.

Diane Smith is a Research Fellow at the Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra.

Introduction

This paper describes the organisation of work in an urban Aboriginal Community Development Employment Project (CDEP) scheme and considers the challenging policy and community issues that are being raised by the scheme's operation in urban contexts. The paper poses two broad, seemingly contending views of how the employment offered within an urban CDEP can be characterised, that is, as 'culture work' and 'welfare work'. While this distinction is an analytical device, it also reflects key issues in current policy debates about the scheme's future direction. The intention in posing these two representations of CDEP labour activity is to encourage a consideration of the wider circumstances in which urban CDEP schemes operate; in particular, to examine the whole question of exactly what is 'urban' about urban schemes; to raise some of the culturally-based imperatives influencing the conduct of urban schemes; to examine the kinds of employment and work conditions being initiated; and to evaluate the adequacy of current policy for the urban schemes.

I use as a case study, a CDEP scheme operating in what is arguably the most well-known urban Aboriginal community: Redfern, Sydney. The research on which this case study is based is part of a larger project to examine the economic and cultural contexts of urban schemes. Research was carried out in January 1995 with the Redfern Aboriginal Corporation (RAC), which coordinates the Redfern CDEP scheme, and with approval of the RAC Board and management. Discussions were held with RAC staff and participants, with Board members, and with regional and State Aboriginal and Torres Strait Islander Commission (ATSIC) offices. A detailed report on the scheme was subsequently presented to the RAC. In August, I also attended a two-day CDEP workshop in Picton, New South Wales, initiated by the RAC and attended by a large number of rural and urban CDEP organisations from the State. The workshop agenda included issues regarding income levels; unionisation, award wages and superannuation; employment and enterprise prospects; and the training and labour market program needs of urban schemes. The CDEP scheme's nexuses between employment, unemployment and welfare was a recurring theme raised in discussion.

The CDEP scheme expansion into urban areas

The national objectives of the Aboriginal Employment Development Policy (AEDP), of which the CDEP scheme is undoubtedly the financial cornerstone, were revised in 1994 subsequent upon a wide-reaching review of its outcomes. Those objectives now provide the policy framework

within which the CDEP labour market is being developed:

1. The AEDP will promote Aboriginal and Torres Strait Islander economic independence by assisting them to access employment and economic opportunities wherever they live.
2. In recognition of the right to self-determination for indigenous Australians, the AEDP will support Aboriginal and Torres Strait Islander peoples in determining how these employment and economic opportunities will be accessed. It will do this by:
 - enabling Aboriginal and Torres Strait Islander people to make effective choices about the extent and nature of their participation in business and labour markets;
 - enabling equitable participation in the general labour market for those who seek it;
 - enabling maximum independence for Aboriginal and Torres Strait Islander communities through assistance to develop their local economies;
 - enabling expansion of employment opportunities in both the general labour market and community-based employment to increase Aboriginal and Torres Strait Islander employment to at least the national average; and
 - ensuring program support is relevant to, and consistent with, Aboriginal and Torres Strait Islander social, cultural and economic circumstances and values (ATSIC 1994a: 62).

At the community level, the scheme is generally coordinated by an Aboriginal organisation which receives a block wages grant from ATSIC, roughly equivalent to the welfare entitlements of the participating members. Additional funding is also obtained by each community CDEP organisation for recurrent costs such as project administration and employee on-costs (such as workers compensation and insurance), and capital funds for the purchase of equipment and assets (under the CDEP Support Program). These funding components are based on actual participant numbers. The wages component is formula-driven, on an average per participant funding rate that is tied to changing participation levels monitored by ATSIC. Different rates apply to 'remote' and 'non-remote' communities.

In 1985, the year before the Commonwealth Government's AEDP initiative, some 38 Aboriginal communities, primarily in remote locations, had joined the CDEP scheme, with a total of 4,000 participants. At that time, the budget for the scheme was \$27 million, representing approximately 9 per cent of Aboriginal affairs portfolio expenditure. Ten years later, in January 1995, over 25,000 participants from 230 communities in remote, rural and urban locations in all states, are registered with the scheme. With a budget expenditure of approximately \$280 million, the scheme is now the most extensive single program in the Aboriginal policy arena, representing close to one-third of ATSIC's total

program budget. However, approximately 64 per cent of this budget could notionally be offset against potential Department of Social Security (DSS) income support entitlements (ATSIC 1994b: 64).

Another development of the last ten years has been the scheme's expansion into urban locations. In remote areas, when discrete Aboriginal communities have elected to join the scheme, individual participants have been precluded from access to Job Search Allowance or Newstart, though not from receiving pensions support. In urban communities, the scheme is available on a project basis, rather than requiring widespread community involvement, so that some community members may be on CDEP wages and others on unemployment benefits from DSS. Both the Royal Commission into Aboriginal Deaths in Custody and the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs (Commonwealth of Australia 1991; Commonwealth of Australia 1992: 120) encouraged this expansion, particularly in those urban areas disproportionately affected by the recent recession and by ongoing high custodial rates. As a result, by mid-1994, a quarter of total CDEP participants were in rural urban and metropolitan urban areas (ATSIC 1994b: 64).

As the AEDP review notes, the strategic importance of the scheme to Aboriginal employment prospects cannot be overstated (ATSIC 1994a: 68). 1991 Census data indicate that scheme participants constituted over 25 per cent of the indigenous labour force; and between 1986 and 1991, accounted for about 60 per cent of new jobs for indigenous people (Taylor 1993: 3, 21). Increasingly, the scheme is being constructed by ATSIC and government as a labour market program that will develop local enterprises to generate 'sustainable economies' for Aboriginal communities, and facilitate the transition of individuals into full-time employment within the mainstream economy (Altman and Sanders 1991; ATSIC 1994a: 50, 70; ATSIC 1994c: 12). However, the unresolved tensions between the scheme's income support origins and its mainstream employment creation objectives, continue to cause dilemmas for program administrators, coordinating organisations and participants. The expansion of the scheme into urban areas has served to further highlight the CDEP's identity crisis.

Expectations for remote communities on the scheme are beginning to be distinguished by ATSIC from those for urban areas, on the basis of a number of assumptions about the latter. For example, ATSIC opinion is that urban participating communities, in comparison with those in remote areas, 'tend to interact with the wider community' (ATSIC 1994b: 62). Urban populations are considered to be less homogenous; even the appropriateness of using the familiar term 'community' for them is questioned (Commonwealth of Australia 1992: 120). They are also seen as being more attached to the mainstream economy and, therefore, able to establish more ready access to urban labour markets. As a result, it is

expected that they have a greater potential to develop an economic base for self-sufficiency. It was with such an assumption in mind that the House of Representatives Standing Committee on Aboriginal Affairs (HRSCAA) into the needs of urban dwelling Aboriginal peoples argued for the introduction of a 'sunset clause' for urban communities; that is, that schemes in such communities should be phased out as participants exit into mainstream employment and that the latter should be encouraged by specifying periods of time allowable on the scheme (Commonwealth of Australia 1992: 119-20). A consideration of the operation of the Redfern CDEP scheme highlights whether these assumptions are accurate, and, consequently, whether current ATSIC policy fits the reality of urban situations.

The CDEP scheme as 'welfare work'

The characterisation of CDEP scheme employment as welfare work relates to a major criticism levelled at the scheme; namely, that participation has generally meant part-time, low-paid, low-skilled employment, rather than the creation of full-time jobs. There is no evidence, to date, which suggests that CDEP employment leads to employment outcomes in the mainstream labour market (Altman and Daly 1992), though there are suggestions that it is providing employment within the Aboriginal community services sector (Smith 1994; Taylor 1993).

Beneficial impacts reported at the community level are in seeming contradiction with the scheme's apparent failure to achieve specific national AEDP objectives. Concern has been expressed within the bureaucracy about the lower level of female participation rates; the degree of substitution funding involved as state and local governments use CDEP scheme employment to renege on their funding and service responsibilities; whether the scheme will provide a stepping stone to employment in mainstream labour markets; and whether the scheme is locking people into income levels that are lower than their entitlements from social security (Altman and Daly 1992; Altman and Sanders 1991; Altman and Smith 1993; ATSIC 1994a; Deloitte Touche Tohmatsu 1993; Sanders 1993). An underlying issue for some is that CDEP employment represents a 'false economy' dependent upon public funding (ATSIC 1994c: 7; Perkins 1992).

Furthermore, while expansion of the scheme has provided a means for government to reduce official unemployment rates, it does not appear to have been particularly effective in reducing poverty (Altman and Daly 1992; Altman and Smith 1993). Rather, from a strictly income-oriented perspective, the scheme may be perpetuating a labour market enclave in which individual participants' CDEP income remains low and linked to a notional welfare ceiling, but without the benefit of some of the associated social security-based entitlements.

A number of factors are at work here. Firstly, current national funding levels do not provide sufficient scope to fund the employment hours some participants would like; CDEP employment is first and foremost, part-time. Secondly, while CDEP guidelines require the coordinating organisation to offer work to participants to enable them to earn the equivalent of their DSS entitlement, some participants receive less income than they would have under a DSS regime. The latter can occur because a participant may choose not to take up the full number of hours work offered, or because a CDEP organisation may be enforcing a policy rule of 'no work, no pay'. Also, some urban CDEP schemes have developed credit arrangements which require repayment by periodic deductions from participants' wages, thereby lowering their net weekly pay. While the latter arrangement may be viewed from the outside as a paternalistic measure, participants argue that such CDEP credit systems provide invaluable financial stability and support (Smith 1994).

The scheme also operates under distinct disadvantages in comparison to the welfare system. A particularly discriminatory aspect is that while the CDEP wage has been established at an equivalent level to welfare payments, CDEP income is taxed. While the CDEP wage is taxed at the same rate as social security and is returned if annual income levels have not been high, participants at a meeting of New South Wales CDEP organisations argued strongly that it placed them at a considerable financial disadvantage. Participants also appear to lose some of the benefits that they would otherwise have received on welfare transfers; for example, participants without dependent children lose access to the rent assistance paid to DSS beneficiaries, and by being reclassified under the CDEP as low-income earners some also lose their Health Care Card benefits. These income and benefit aspects of the scheme are currently under examination by the Aboriginal Social Justice Commissioner of the Human Rights Commission and by a Federal Government interdepartmental committee.

Nevertheless, the program has potential to operate as a guaranteed minimum income scheme where appropriate, and in circumstances where income-generating enterprises have been established, has provided additional income beyond the welfare ceiling. There certainly seems to be a trend amongst urban participants and management to regard their work under the scheme as 'proper employment' not as 'work for the dole', and requiring the associated benefits of superannuation and access to labour market training. The Redfern case study provides an urban perspective on these issues.

The CDEP scheme as 'culture work'

In spite of concerns about individual income levels, the scheme has continued to prove popular with Aboriginal communities. Apart from the

welcome injection of additional funds into a community for capital and administrative support, one of the major reasons for this popularity is its endorsement of what is loosely referred to here as 'culture work'. A radical innovation of the scheme has been that it allows for an 'Aboriginalisation' of work (Altman and Smith 1993; Smith 1994). The Aboriginal organisation responsible for managing the scheme is able to determine the type and conditions of employment that most suit local needs, and to establish wage rates. As a result, there can be considerable Aboriginal organisational control over setting employment and enterprise priorities, a fact testified to by the wide range of employment opportunities being created by the scheme around the country, including clothing manufacture, cabinet making, provision of essential services that otherwise should be provided by government, market gardening, emu farming, firewood collection, housing renovation, landscaping, childcare, arts and craft production, hunting and gathering, maintenance of sacred sites, and the provision of culturally-focused education to children (Deloitte Touche Tohmatsu 1993).

The incorporation of certain Aboriginal activities into the category of paid employment within the CDEP scheme is in turn having a subtle impact on the definitional rigour of Australian Bureau of Statistics' (ABS) labour force indicators. For example, the inclusion of home duties and culturally-based activities as paid work under CDEP, leads to their classification as employment within the labour force, albeit part-time. In other circumstances, these types of economic activities would be excluded from the ABS's operational definitions (see Smith 1995). At the Picton meeting of New South Wales CDEP organisations, local Aboriginal control over the definition of employment and work conditions within CDEP projects were consistently referred to as notable advantages of the scheme.

Research also testifies to valued social and cultural benefits arising from participation in the scheme. Participants assert increased self-esteem for individuals and families; greater pride in Aboriginal identity being fostered by successful employment projects; and the support of Aboriginal networks for the care of children and the elderly. Some communities point to a decrease in alcohol consumption; others to improved law and order (Deloitte Touche Tohmatsu 1993; Smith 1994).

CDEP employment is not only an economic endeavour then, but is part of a social process which is pre-eminently Aboriginal. Simply put by one participant, people who work together on particular work gangs and programs like to work together because of friendships, long-term residential associations and kin connections; so that important cultural ties reinforce the stability of work gangs. In this way, CDEP employment becomes part of the Aboriginal community's social fabric. From this perspective, the 'strategic importance' of the scheme has as much to do with cultural and social aspects of employment, as with its economic and

wage outcomes. Nevertheless, the former aspects of CDEP work are often viewed sceptically within government, as not being 'real' employment. The administrative anxiety with such intangibles is all the more reinforced because they are not amenable to assessment by departmental performance indicators or statistical analysis. The refinement of CDEP policy and program administration in this area would be facilitated by participating organisations themselves documenting such community and individual benefits. The policy challenges raised by these national program tensions are highlighted by the operation of the CDEP scheme in Redfern.

Structure and objectives of the Redfern CDEP scheme

The RAC developed out of the informal activities of Shane Phillips and other young Redfern people, as a youth action group attempting to deal with pressing social, economic and other problems experienced by Redfern residents in the late 1980s. The scheme began in June 1991 with 35 participants and a waiting list. ATSIC approved an increase in participant numbers to 70, in June 1992 and numbers have since been maintained between 60 and 70. The Redfern CDEP scheme is one of five currently operating in ATSIC's Sydney Regional Council area, and is the region's largest scheme.

The RAC has subsequently developed a CDEP mission statement which ranges far beyond purely economic objectives:

To work toward a self-determining community contributing by our own endeavour to a better Redfern where our people can grow up free from prejudice, confident and secure in our culture and proud of our history as the indigenous people of Australia.

Similarly, in its daily operation of the scheme, the Corporation specifies a mix of objectives which emphasises its involvement in many areas of community life. These include:

- cultural goals to: strengthen cultural identity, improve self-respect, self-esteem, confidence and discipline, provide positive role models and self-determination;
- environmental goals to: improve physical well-being, living conditions and public image; and
- commercial goals to: provide employment and training, establish and manage profitable commercial enterprises, and acquire community assets.

The RAC has a Board of seven Aboriginal people to oversight the development of the scheme, and includes a representative from the male and female participants, and five other Board members from key local organisations such as the Commonwealth Employment Service (CES), the Technical and Further Education Eora Centre, and the Redfern Aboriginal

Housing Company.

Male and female CDEP coordinators organise the work programs, supervise the participants within them, and assume an administrative role within the RAC office. Under these coordinators are work supervisors who act as leading hands of specific work projects, maintain equipment, coordinate workers within each project and provide, where possible, on-the-job training for participants. There is also a part-time training/administration coordinator who has responsibility for assessing training needs, for writing submissions for funding, inducting new staff and for key administrative duties.

RAC employment policies and practice

CDEP employment is currently available within a number of work projects, including: the Koorie Kafe and clothing retail store attached to it; the market garden; screen printing and clothing manufacture; rubbish removal and housing repairs; childcare; labouring for streetscaping contracted by the South Sydney City Council and to local Aboriginal organisations; and within the RAC office.

The RAC has progressively developed policies to encourage the establishment of uniform employment conditions and reliable work routines to sustain these projects. All participants must work a minimum of 15 hours per week on agreed work projects. Standard entitlements of sick leave, bereavement and annual leave, maternity and paternity leave have also been established, but with noticeably Aboriginalised conditions attached to them. For example, greater flexibility and allowance is made for the need to attend funerals of a range of kin that extends beyond immediate family. Many new participants are in need of work clothing and are given a full outfit at the commencement of their duties. The RAC also provides assistance to every participant with completing tax returns and maintains a personal file for each person to keep work-related expenses receipts. Daily childcare is available to all participants and has been instrumental in encouraging sole mothers to participate in the scheme. In the light of disputes occurring at work that are in fact generated from within the wider Redfern community, the RAC has also established a dispute resolution procedure.

A skills assessment is carried out with each prospective participant in order to determine their previous work experience, level of numeracy and literacy and work interests. Each participant must agree to undertake any offered training. A code of work behaviour has been established which emphasises the need for participants to accept work routines and discipline, to treat co-workers with respect; and to 'turn up ... prepared to work a fair day's work'. In a hard-edged approach to maintaining stable work routines,

the RAC clearly states to participants during their initial orientation that its commitment is to workers who are 'honest and motivated', 'eager to train', 'committed to RAC objectives' and 'willing to work'. Priority for advancement is given to such participants, rather than those who it assesses to be 'not interested in its goals and objectives', 'who work as little as possible' and 'who rot the system'.

Importantly, it is RAC policy to only pay wages for work undertaken. If participants are absent on their rostered work day and give no advance notice, they are not paid. Stated policy is to support workers with substance abuse problems, but people appearing for work under the effects of drugs or alcohol are not allowed to work and are not paid.

A number of CDEP schemes establish a base uniform rate which is paid to all participants regardless of the kind of work carried out. The RAC has established a set of pay rates related to employment duration and skills development. Each new participant commences on the base wage level of \$10.00 per hour, which increases to \$10.65 after three months work experience. This is raised to \$11.00 at the end of a year's training or as assessed by job performance. Supervisors are paid \$12.00 per hour which can be similarly increased. Trainers are paid \$19.00 per hour and the management coordinators range from \$20.00 to \$22.00 per hour dependent upon additional training. The RAC hopes that this will establish an incentive structure both for training and the undertaking of increased responsibilities by participants and other staff.

At the base rate, each participant is able to earn approximately \$300.00 per fortnight before tax if they undertake a fortnight's work of 30 hours. Clearly, failure to undertake work (and associated wage deductions) will result in a gross wage that could be less than an individual's welfare entitlement. The RAC's response to this is that while making considerable effort, above that of most mainstream employers to assist individual participants to settle into the work environment, they are also attempting to establish viable employment projects based on participant commitment to regular work routines. Whilst CDEP employment may then be 'less than welfare' in terms of individual wage outcomes, the RAC does not see itself becoming an Aboriginal CES, giving out welfare-equivalent payments. It maintains a strong work orientation despite considerable obstacles.

The Redfern Aboriginal labour force

One is forced to ask then, exactly what kind of urban population is Redfern? Some answers to this question can be found in data from the 1991 Census of Population and Housing. The RAC faces key challenges in maintaining the viability of its CDEP scheme, a number of which arise out of the characteristics of the Redfern labour force population itself. Census

labour force data raise important questions about exactly what 'urban' means in Redfern and whether current CDEP policy is sufficiently fine-tuned to meet the needs of the indigenous labour force in such locations.

Of an estimated total Aboriginal population of 491 persons in the Redfern Census Statistical Local Area, approximately 48 per cent are under 20 years of age, with 37 per cent being of school-age, under 15 years. This indicates a youthful age profile and possible high childhood dependency ratios, or economic burdens, amongst the Redfern community. Such a young population will have specific educational, training and employment needs.

The Redfern Aboriginal working-age population of some 295 people has a reported labour force of 131 in the 1991 Census. That population has lower levels of employment (at 32 per cent), higher levels of unemployment (at 29 per cent), and lower labour force participation rates (at 44 per cent) relative to non-Aboriginal metropolitan residents. Perhaps more significantly, by these labour force rates they are also worse-off in comparison to all other Aboriginal people in the remaining major urban areas of New South Wales (that is, in remaining Sydney, Newcastle and Wollongong) where the equivalent rates were 46 per cent (employment), 27 per cent (unemployment) and 64 per cent (participation rate) respectively (Taylor and Roach 1994a; ATSIC 1995).

Both male and female unemployment rates (at 33 per cent and 26 per cent respectively) were slightly higher than the rates for major urban indigenous populations in New South Wales (at 30 and 24 per cent respectively). The official unemployment rate above must be placed in the context of the large number of Redfern people of working-age recorded as 'not in the labour force'; a substantial 56 per cent (164 people) did not participate in the mainstream labour market.

The Redfern labour force participation rate of 44 per cent is close to 10 per cent lower than the national indigenous participation rate (54 per cent) and some 20 per cent lower than that reported for indigenous people in the major urban areas of New South Wales (at 64 per cent). Indeed, the Redfern labour force participation rate is lower even than that reported for Aboriginal communities in rural New South Wales (at 55 per cent) which are regarded as locationally disadvantaged in their access to the mainstream labour market (Taylor and Roach 1994a). Most dramatically, its participation rate is lower than that for rural Aboriginal communities in Western Australia (50 per cent) and only slightly higher than the rate for remote Northern Territory communities (43 per cent) (Taylor and Roach 1994b, 1994c).

Importantly, the labour force participation rate of males in Redfern (at 46 per cent) was substantially lower than that for Aboriginal males in all New

South Wales major urban areas (at 76 per cent). The Redfern female participation rate (43 per cent) was similar to the Redfern male rate (46 per cent), but the gap between Redfern females and Aboriginal women in all major urban areas of New South Wales (at 52 per cent) was less than that for males. In other words, the Redfern working-age population is noticeably absent from the mainstream labour force, both in comparison to the national Aboriginal rates of participation, and to the rates for major urban Aboriginal people in New South Wales. In particular, the position of Redfern men is markedly disadvantaged.

At the same time, there are culturally-based behaviours that influence the labour market objectives of the Redfern scheme. One such characteristic is the population's high level of socially-networked mobility. In the 1991 Census, of those who reported a 'usual address' (totalling 398 persons), some 62 per cent (241 persons) reported a different 'usual address' than in 1986. This is significantly higher than the equivalent national 'rate of mobility' reported for Aboriginal Australians at 45 per cent (Taylor and Bell 1994).

Of those Redfern people who indicated a different 'usual address' five years ago, just over one-third (86 persons) changed addresses within 'Redfern'; while the rest came from out of the area. The majority of these 'out of area' movements (52 per cent) came from New South Wales, either from other areas of Sydney or from surrounding areas of the State. Furthermore, measuring mobility over a five-year period does not take into account the probable high level of short-term mobility that is occurring.

While many transients are quickly located into the network of Redfern family connections, they can place substantial social and economic strains on the community and on the CDEP scheme. The RAC experiences a significant flow of people through the scheme and maintaining a stable core of participants is imperative. The need for strict employment policies becomes clear in light of such labour force characteristics. At the same time, this flow of transients should not obscure the fact that there are well-established and long-term families resident within Redfern, providing support networks and a strong sense of attachment to a Redfern Aboriginal identity, and promoting internal resistance to intervention by non-Aboriginal outsiders. In other words, while there are clearly substantial structural barriers limiting Redfern Aboriginal access to mainstream jobs, there is a culturally-based work environment operating within the CDEP that creates what has been called by CDEP participants elsewhere, a 'comfort zone' out of which many participants are reluctant to exit. This cultural preference for working with other Aboriginal people and in the geographic domain known as 'the Block', could be seen as a barrier to participants gaining full-time employment, but clearly it is also a major strength of the CDEP scheme.

The Redfern population's location at the centre of a metropolitan labour market does not appear to be matched by easier or greater participation in that market. This is contrary to the assumptions of government policy which holds that urban CDEP schemes will, somehow, more easily (and quickly) establish linkages into mainstream employment. In fact, the Redfern population has extremely tenuous links to the formal Sydney labour market and displays all the signs of a disadvantaged enclave within the wider Sydney population (and in comparison to other Aboriginal peoples in urban New South Wales). Its labour force characteristics are more akin to those of rural and remote Aboriginal communities; that is, to the communities usually thought of as being locationally disadvantaged, having few formal economic opportunities and limited availability of full-time jobs.

Redfern CDEP - beyond an employment program

The RAC is dealing with a client population which, while having a strong sense of community and cultural identity, nevertheless is highly mobile, has a severe shortage of mainstream employment experience, poor literacy and numeracy skills, and remains welfare dependent and in poor health. The need for ongoing and intensive CDEP-specific training; personal and employment counselling; case management and mentoring; substance abuse rehabilitation; and health program support for participants are all seen by the RAC as fundamental to establishing and sustaining viable employment projects. Considerable attention and planning is given by the RAC to the rehabilitative role it has to assume with respect to particular participants. Indeed, this role is arguably central to its holistic approach to managing the CDEP scheme.

Under the Redfern scheme, employment is primarily about personalised work within an enclave Aboriginal labour market, in which each participant's continuing links to wider family and community networks are integral to their effective participation in the scheme. Work and culture are not seen as substantially separate domains.

There is as much an emphasis on the 'community' and 'development' aspects of the CDEP scheme, as on the 'employment'. Social, cultural, personal, health, and legal issues arise in virtually every RAC employment initiative. When the RAC takes on a participant, it effectively takes on issues to do with how the whole Redfern community operates. It is for this reason that the RAC has become involved in plans to initiate an Aboriginal night patrol of Redfern streets. It has also attempted to create much-needed flexibility for participants by establishing a series of credit systems. For example, participants can accrue a set number of hours worked in advance, to be taken off with approval by supervisors. A cash credit system has been established at the CDEP-run Koorie Kafe, whereby participants are entitled

to 'book-up' food to a weekly limit which is subsequently deducted from their wages. It also offers a short-term loans service to participants, restricted to three per year and repayable at 20 per cent of the loan amount. Loan repayments are deducted each week from participant wages. Such credit systems are a crucial Aboriginalised welfare net which is not available from the mainstream.

The potential for CDEP enterprises in such an urban context requires as careful a consideration of the 'community factors' as it would in remote contexts. For example, a proposal for the RAC to buy a taxi licence has found immediate support with ATSIC officers, but requires the organisation to consider a range of issues wider than commercial ones. There are, for example, very few people who have driver's licences. Such an enterprise would require them to firstly train a substantial pool of participants to obtain ordinary drivers licences, enabling enough to subsequently obtain taxi licences. How to organise and maintain a roster of drivers through the 24-hour schedules necessary to recoup initial funding costs requires careful consideration, in the light of the often volatile lifestyles of individuals on the Redfern 'Block'. The RAC must decide beforehand how to deal with any violence and drunkenness that might arise; and how to deal with the requests of family and friends to 'book-up' fares. The issue is not simply one of accepting funding for such a business venture and coordinating the acquisition of necessary basic skills. It involves important decisions, at every stage, about how the project can be established and managed within the realities of urban community life and the population's labour force characteristics.

Conclusion: some key urban issues

The expansion of the CDEP scheme into urban locations represents a potentially important economic development. But urban CDEP schemes are facing specific labour market and socioeconomic circumstances which give rise to a new set of challenges. The Redfern scheme is confronting similar issues to those reported for the Port Lincoln scheme in South Australia (see Smith 1994) and raised by a number of urban New South Wales organisations at the Picton CDEP meeting, namely: establishing and maintaining commercially viable employment projects and reasonable income levels for participants; maintaining stable work routines, participant commitment and gender equity; case managing the rehabilitation of many participants into employment; and securing access to reliable sources of funds for CDEP-relevant training.

An important implication of the analysis is that urban Aboriginal populations, like those in remote communities, are not homogeneous. Rather, they may exhibit significant variation in their economic characteristics, with some sharing characteristics more akin to remote

communities. The broad analytical distinction between 'remote' and 'urban', which informs policy and programs, is too rigid and needs to be reassessed (see also Johnstone 1991: 8-9). It mistakenly oversimplifies the category 'urban', obscuring key socioeconomic variations. It also assumes that urban populations are uniformly more attached and have easier access to mainstream urban labour markets than may be the case. Whether 'sustainable' or 'self-sufficient economies' are more feasible in urban communities remains a moot point.

In accepting the remote-urban divide as unproblematic, ATSIC and the AEDP have perhaps unwittingly accepted a set of commonly held assumptions about urban Aboriginal people; namely, that they are more thoroughly assimilated into the mainstream economy, have adopted its associated values and behaviours and, accordingly, have lost their culture. This common view, described by the recent HRSCAA report into the needs of urban Aboriginal people, has changed little since the Australian National Opinion Polls of 1985 reported that a number of Australians believed that '... the 'real' Aborigines are considered to be those ... living a traditional, tribal lifestyle (in the north)', as opposed to the '... half-caste, educated radical activists who have adopted urban values' (Commonwealth of Australia 1992: 199). Interestingly enough, in that early poll, the latter were most commonly associated in the public's mind with Redfern.

Another matter needing reconsideration for the purposes of policy and program refinement is what constitutes 'community' within urban contexts. It is perhaps mistakenly assumed that 'community' is a misnomer for urban indigenous populations. However, it may well be the case that small enclave populations such as Redfern (and others in Sydney and other urban areas) are regarded by local organisations such as the RAC and by residents themselves, as being distinct communities warranting community-oriented programs and strategies. While urban CDEP schemes have been established on a project basis by ATSIC, coordinating organisations such as the RAC nevertheless find that every aspect of their operation is immediately locked into wider Aboriginal community dynamics.

In fact, the Redfern CDEP scheme operates within an essentially Aboriginal domain, where participants and management remain enmeshed within, and dependent upon, a collective sense of Aboriginal identity. Urban CDEP employment is not simply an economic activity conducted on the fringes of, and oriented towards, a mainstream labour market. RAC work projects and employment policies are heavily influenced by key cultural characteristics of the Redfern population, including high levels of socially-networked mobility; participant preferences for working within a primarily Aboriginal environment; the impact of valued family networks and allegiances; and the ongoing construction of an active enclave identity.

Furthermore, the ongoing low socioeconomic status of residents and the substantial barriers faced by the long-term unemployed, mean that urban CDEP schemes such as Redfern undertake a major rehabilitative role with many participants, amounting to intensive personal case management which underwrites the continuing viability of work projects. The extent of the economic, health, educational and other difficulties confronted by participants are not underestimated by the RAC, but they may well be underestimated by external funding bodies. Establishing sustainable CDEP employment projects, training participants and maintaining regular work routines is a substantial undertaking in itself. The successes achieved in these areas should not be overlooked because of the administrative focus on enterprise development and the pressure to transfer from CDEP to mainstream employment.

The expansion of the CDEP scheme into urban areas is already posing important policy issues for key agency stakeholders, including ATSIC, Department of Employment, Education and Training (DEET), DSS and the union movement. The challenge for policy makers and program administrators will be to reconsider the assumptions about 'urban' Aboriginal populations in the light of more detailed data about the socioeconomic characteristics and heterogeneity of participating urban communities, and to refine the delivery of the program accordingly. In this context, moves by government to encourage sunset clauses in some urban schemes, to promote rapid enterprise development; to separate the employment and training components of the scheme; and to insist on 'exits' being established into mainstream employment, may be misplaced. They may also be counter-productive to the incremental progression towards these goals preferred by many CDEP organisations. Certainly, current plans for program rejigging along these lines need to be balanced by a recognition of the impact, at the local level, of Aboriginal work behaviours and priorities which may lead to entirely different outcomes to those anticipated by government.

At the community level, urban CDEP schemes will need to address the challenges of ensuring greater income and gender equity; establishing sustainable employment projects; and negotiating the movement to award wages endorsed by ATSIC (Deloitte Ross Tohmatsu 1992; Sanders 1993; Smith 1994). It will be important for urban CDEP organisations to clarify what might be realistic goals for their schemes, for participants and the wider community, and to negotiate the incorporation of these into program administration. With over 25 per cent of the indigenous labour force participating in the scheme, there is undoubtedly a CDEP labour market. With a quarter of participants in urban locations the 'strategic importance' of urban schemes cannot be ignored. ATSIC's approach to urban CDEP schemes will need to be based then on a policy and funding realism, acknowledging that while urban CDEP schemes are ostensibly situated within the wider Australian economy, in many important respects they are

still establishing a distinctly Aboriginal labour market.

References

- Aboriginal and Torres Strait Islander Commission (ATSIC) 1994a. *Review of the Aboriginal Employment Development Policy*, Aboriginal and Torres Strait Islander Commission, Canberra.
- Aboriginal and Torres Strait Islander Commission (ATSIC) 1994b. *Annual Report 1993-94*, Australian Government Publishing Service, Canberra.
- Aboriginal and Torres Strait Islander Commission (ATSIC) 1994c. *Economic Empowerment: The Way Ahead. A Strategy Paper*, (Chairperson A. Bamblett), Aboriginal and Torres Strait Islander Commission, Canberra.
- Aboriginal and Torres Strait Islander Commission (ATSIC) 1995. 'Redfern Community Statistical Profile, 1991 Census Data', unpublished, Aboriginal and Torres Strait Islander Commission, Canberra.
- Altman, J.C. and Daly, A.E. 1992. 'The CDEP scheme: a census-based analysis of the labour market status of participants in 1986', *CAEPR Discussion Paper No. 36*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Altman, J.C. and Sanders, W. 1991. 'The CDEP scheme: administrative and policy issues', *CAEPR Discussion Paper No. 5*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Altman, J.C. and Smith, D.E. 1994. 'Compensating indigenous Australian 'losers': a community-oriented approach from the Aboriginal social policy arena', in P. Saunders and S. Shaver (eds) *Theory and Practice in Australian Social Policy: Rethinking the Fundamentals*, Proceedings of the National Social Policy Conference, Sydney, Vol. 2: contributed papers, Social Policy Research Centre, University of New South Wales, Sydney.
- Commonwealth of Australia 1991. *Royal Commission into Aboriginal Deaths in Custody, National Report*, vol. 4 (Commissioner E. Johnston), Australian Government Publishing Service, Canberra.
- Commonwealth of Australia 1992. *Mainly Urban, Report of the Inquiry into the Needs of Urban Dwelling Aboriginal and Torres Strait Islander People*, House of Representatives Standing Committee into Aboriginal Affairs, Australian Government Publishing Service, Canberra.
- Deloitte Ross Tohmatsu 1992. *Impact of Industrial Awards on CDEP*, Report to the Aboriginal and Torres Strait Islander Commission, Canberra.
- Deloitte Touche Tohmatsu, 1993. *No Reverse Gear: A National Review of the Community Development Employment Projects Scheme*, Report to the Aboriginal and Torres Strait Islander Commission, Canberra.
- Perkins 1992. 'Aboriginal Australia and public administration', *Australian Society*, 5 (10): 40.

- Sanders, W. 1993. 'The rise and rise of the CDEP scheme: an Aboriginal 'workfare' program in times of persistent unemployment', *CAEPR Discussion Paper No. 54*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Smith, D.E. 1994. "'Working for CDEP": a case study of the Community Development Employment Projects scheme in Port Lincoln, South Australia', *CAEPR Discussion Paper No. 75*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Smith, D.E. 1995. 'Measuring the contemporary labour force status of indigenous Australians: issues, implications and options', *Labour Economics and Productivity*, 7 (1): 28-48.
- Taylor, J. 1993. *The Relative Economic Status of Indigenous Australians, 1986-91*, CAEPR Research Monograph No. 5, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Taylor, J. and Bell, M.J. 1994. 'The mobility status of indigenous Australians', *CAEPR Discussion Paper No. 78*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Taylor, J. and Roach, L. 1994a. 'The relative economic status of indigenous people in New South Wales, 1986-91', *CAEPR Discussion Paper No. 55*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Taylor, J. and Roach, L. 1994b. 'The relative economic status of indigenous people in Western Australia, 1986-91', *CAEPR Discussion Paper No. 59*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Taylor, J. and Roach, L. 1994c. 'The relative economic status of indigenous people in the Northern Territory, 1986-91', *CAEPR Discussion Paper No. 62*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH (CAEPR)

MONOGRAPHS

1. *Aborigines in the Economy: A Select Annotated Bibliography of Policy-Relevant Research 1985-90*, L.M. Allen, J.C. Altman and E. Owen (with assistance from W.S. Arthur), 1991.
2. *Aboriginal Employment Equity by the Year 2000*, J.C. Altman (ed.), published for the Academy of the Social Sciences in Australia, 1991.
3. *A National Survey of Indigenous Australians: Options and Implications*, J.C. Altman (ed.), 1991.
4. *Indigenous Australians in the Economy: Abstracts of Research, 1991-92*, L.M. Roach and K.A. Probst, 1993.
5. *The Relative Economic Status of Indigenous Australians, 1986-91*, J. Taylor, 1993.
6. *Regional Change in the Economic Status of Indigenous Australians, 1986-91*, J. Taylor, 1993.
7. *Mabo and Native Title: Origins and Institutional Implications*, W. Sanders (ed.), 1994.
8. *The Housing Need of Indigenous Australians, 1991*, R. Jones, 1994.
9. *Indigenous Australians in the Economy: Abstracts of Research, 1993-94*, L.M. Roach and H.J. Bek, 1995.
10. *The Native Title Era: Emerging Issues for Research, Policy and Practice*, J. Finlayson and D.E. Smith (eds), 1995.

For information on earlier CAEPR Discussion Papers please contact Publication Sales, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 279 8211 Fax (06) 249 2789. Abstracts of all CAEPR Publications can be found at the following WWW address: <http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html>.

**CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH
(CAEPR)**

RECENT DISCUSSION PAPERS

- 69/1994 *The cross-cultural validity of labour force statistics about indigenous Australians*, D.E. Smith.
- 70/1994 *Estimating indigenous Australian employment in the private sector*, J.C. Altman and J. Taylor.
- 71/1994 *The relative economic status of indigenous Australians within the jurisdiction of the Torres Strait Regional Authority, 1986-91*, W.S. Arthur.
- 72/1994 *The comparative economic status of Torres Strait Islanders in Torres Strait and mainland Australia*, W.S. Arthur and J. Taylor.
- 73/1994 *Indigenous participation in commercial fisheries in Torres Strait: a preliminary discussion*, J.C. Altman, W.S. Arthur and H.J. Bek.
- 74/1994 *Reshaping governance in Torres Strait: the Torres Strait Regional Authority and beyond*, W. Sanders.
- 75/1994 *'Working for CDEP': a case study of the Community Development Employment Projects scheme in Port Lincoln, South Australia*, D.E. Smith.
- 76/1994 *Socioeconomic status at the ATSIC regional level, 1986 and 1991: data for regional planning*, J.C. Altman and Liu Jin.
- 77/1994 *The relative mobility status of indigenous Australians: setting the research agenda*, J. Taylor and M. Bell.
- 78/1994 *The mobility status of indigenous Australians*, J. Taylor and M. Bell.
- 79/1995 *Assessing the relative allocative efficiency of the Native Title Act 1993 and the Aboriginal Land Rights (Northern Territory) Act 1976*, S.L. McKenna.
- 80/1995 *Looking beyond the borderline: development performance and prospects of Saibai Island, Torres Strait*, R. Davis.
- 81/1995 *Performance indicators for Aboriginal Health Services*, I. Anderson and M. Brady.
- 82/1995 *Change in the relative economic status of indigenous males in the 1980s: Australia and the United States compared*, R.G. Gregory and A.E. Daly.
- 83/1995 *Indigenous employment and job segregation in the Northern Territory labour market*, J. Taylor.
- 84/1995 *Local governments and indigenous Australians: developments and dilemmas in contrasting circumstances*, W. Sanders.
- 85/1995 *Mineral development agreements negotiated by Aboriginal communities in the 1990s*, C. O'Faircheallaigh.

- 86/1995 *Negotiations between mining companies and Aboriginal communities: process and structure*, C. O'Faircheallaigh.
- 87/1995 *Aboriginal employment, native title and regionalism*, J. Finlayson.
- 88/1995 *Native Title Act 1993: implementation issues for resource developers*, J.C. Altman.
- 89/1995 *Beyond native title: multiple land use agreements and Aboriginal governance in the Kimberley*, P. Sullivan.
- 90/1995 *Australian fiscal federalism and Aboriginal self-government: some issues of tactics and targets*, W. Sanders.
- 91/1995 *Enumerating the Aboriginal population of remote Australia: methodological and conceptual issues*, D.F. Martin and J. Taylor.
- 92/1995 *Twenty years of policy recommendations for indigenous education: overview and research implications*, R.G. Schwab.
- 93/1995 *The economic status of indigenous Australian families*, A.E. Daly and D.E. Smith.
- 94/1995 *Equity for Aboriginal families in the 1990s: the challenges for social policy*, J. Finlayson.
- 95/1995 *Native title and indigenous Australian utilisation of wildlife: policy perspectives*, J.C. Altman, H.J. Bek and L.M. Roach.
- 96/1995 *Change in the relative distribution of indigenous employment by industry, 1986-91*, J. Taylor and Liu Jin.
- 97/1995 *Estimating the private rate of return to education for indigenous Australians*, A.E. Daly and Liu Jin.
- 98/1995 *Coping with locational advantage: the economic development potential of tourism at Seisia community, Cape York Peninsula*, J.C. Altman.
- 99/1995 *Redfern works: the policy and community challenges of an urban CDEP scheme*, D.E. Smith.
- 100/1995 *The calculus of reciprocity: principles and implications of Aboriginal sharing*, R.G. Schwab.
- 101/1995 *Money, business and culture: issues for Aboriginal economic policy*, D.F. Martin.
- 102/1995 *Indigenous peoples and reshaping Australian institutions: two perspectives*, N. Pearson and W. Sanders.

For information on earlier CAEPR Discussion Papers please contact Publication Sales, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 279 8211 Fax (06) 249 2789. Abstracts of all CAEPR Publications can be found at the following WWW address: <http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html>.



